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For Immediate Release

New Connecticut Law Will Protect Homebuyers from Predatory Contracts

WASHINGTON, D.C., May 23, 2024 – The American Land Title Association (ALTA), the national trade association of the land title insurance industry, AARP and the New England Land Title Association (NELTA) applaud the Connecticut General Assembly for passing Senate Bill (SB) 201, which includes provisions protecting homeowners from the predatory practice of filing unfair real estate fee agreements in property records, known as Non-Title Recorded Agreements for Personal Services (NTRAPS). The new law will make NTRAPS unenforceable.

“The property rights of American homebuyers must be protected,” said ALTA Vice President of Government Affairs Elizabeth Blosser. “We have to ensure that there are no unreasonable restraints on a homebuyer’s future ability to sell or refinance their property due to unwarranted transactional costs.”

“The passage of SB 201 is a continuation of AARP’s advocacy efforts, undertaken in collaboration with ALTA in other states, to put an end to this harmful practice,” said AARP Government Affairs Director Samar Jha. “We look forward to working on similar legislative solutions in other states to help protect homeowners against this predatory real estate practice.”

SB 201 follows the objective of similar bills introduced across the country to provide a remedy for existing NTRAPS while also discouraging these types of unfair practices impacting homeowners.

“NELTA appreciates the work conducted by the legislature and Connecticut Gov. Ned Lamont to curb this type of predatory practice and protect the consumers of Connecticut,” said NELTA Executive Director Mark Bennett CAE.

“Connecticut homeowners who might be in need of quick cash will no longer be vulnerable to bad actors who hold their most valuable asset - their home - in a contract that is not just unfair, but predatory,” said AARP Connecticut State Director Nora Duncan. “We especially thank Connecticut Attorney General William Tong for supporting this consumer protection legislation wholeheartedly.”

The new law will:

- Make NTRAPS unenforceable by law.
- Restrict and prohibit the recording of NTRAPS in property records.
- Create penalties if NTRAPS are recorded in property records.
- Provide for the removal of NTRAPS from property records and recovery of damages.

Gov. Lamont is expected to sign the bill into law in the coming weeks.

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About ALTA

The [American Land Title Association](#), founded in 1907, is a national trade association representing more than 6,000 title insurance companies, title and settlement agents, independent abstracters, title searchers and real estate attorneys. ALTA members conduct title searches, examinations, closings and issue title insurance that protects real property owners and mortgage lenders against losses from defects in titles.